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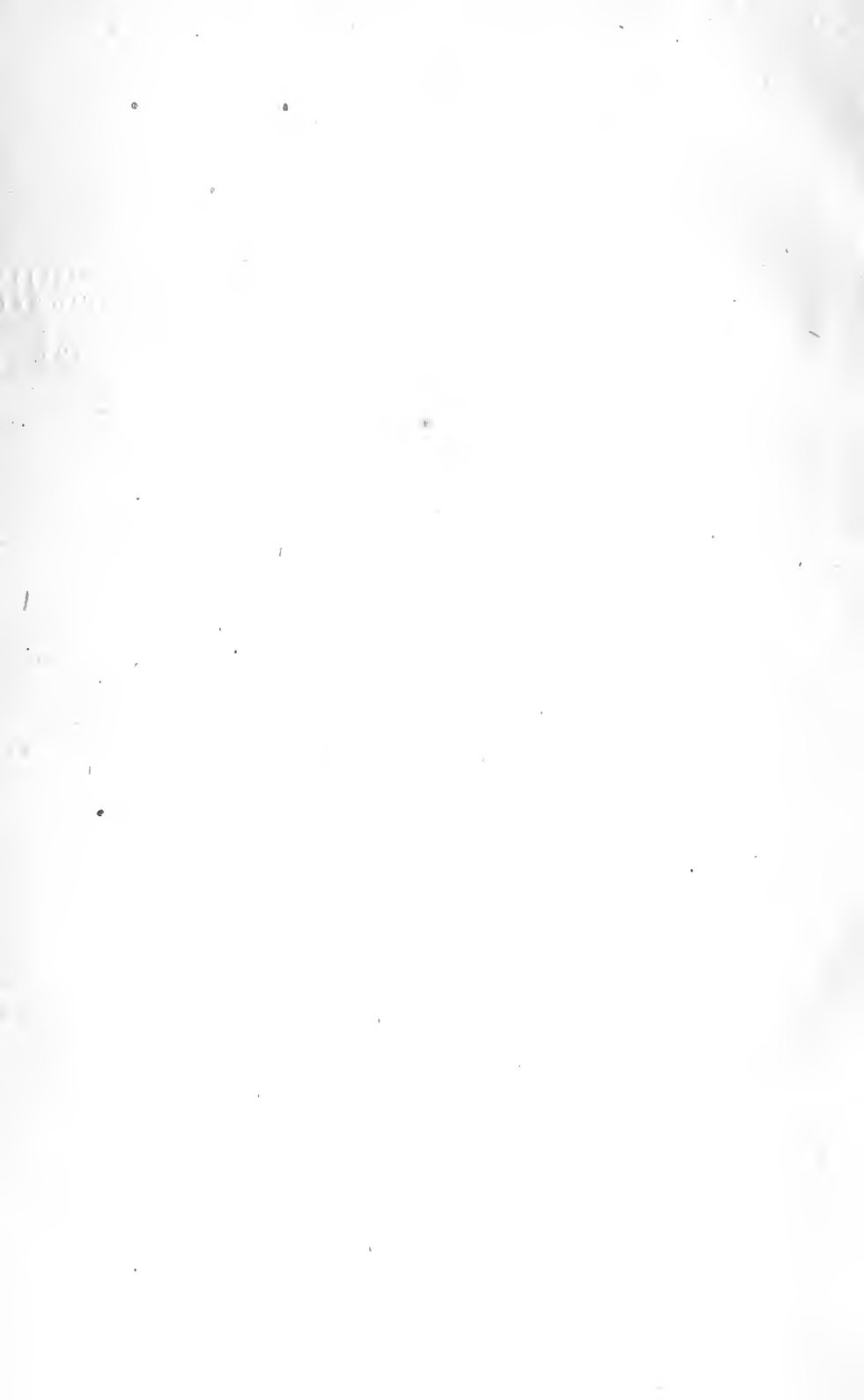
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INTERNATIONAL INSTITUTE OF AGRICULTURE

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MISCELLANEOUS PUBLICATIONS

Volume 1

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THE INTERNATIONAL INSTITUTE OF AGRICULTURE

A PROPOSAL.

National Organizations for utilising its Information

COMMITTEE OF TWELVE

The International Institute of Agriculture has passed the preliminary stage and is now performing the work for which it was organized. Its labors were intended to be a means towards the attainment of certain ends; these ends were to protect the interests of the producers; to meet certain essential requirements of commerce; and to equate the relation between supply and demand.

The question now remains: does the Institute perform the function for which it was designed? And the answer is that the Institute does all that it is called upon to do towards these ends. It does so by furnishing the necessary information and having it reported telegraphically and by publications. This information is the means, but what of the ends?

What becomes of this information?

How does it protect the interests of the producers; meet certain essential requirements of commerce; and equate the relation between supply and demand?

The answer must depend on the use made of the information by each of the adhering countries.

In Canada, for instance, the Government performs valuable propaganda work to ensure to Canadian producers the economic benefits obtainable from the Institute's crop-reporting information. The Canadian Government, through its own publications and through the press, interprets the intelligence of the Institute to the people of Canada in a manner calculated to bring out the economic good which should result therefrom.

Writing on this subject on April 25th ult., the Minister of Agriculture of Roumania informs me that, since January 1911, he has "instructed the Bureau of agricultural statistics of the Department to carefully collect all information published in the bulletins etc., and to inform parties interested, by means of the local press, of all the more important fluctuations which occur on the grain markets."

In Germany the semi-official bodies, the *Deutscher Landwirtschaftsrat* and the *Preussisches Landesekonomikollegium*, have made a special study of the Institute's work, and the *Landwirtschaftsrat* has opened a Bureau in Berlin for this purpose, and places the results of its studies before those concerned in Germany.

The task of interpreting and promulgating the Institute's information in Hungary is performed by its able and progressive Ministry of Agriculture. In some of the other countries this work is done by agricultural societies, and in others by the press.

Now it occurs to me that the time has come when some plan should be offered for carrying out this work of interpretation, so as to bring the Institute's information, and the deductions that may be made therefrom, clearly before the farmers and others concerned, so that it may be used to bring about the ends sought for. The plan should be so simple, inexpensive and effective as to ensure its acceptance by each of the adhering countries. As a tentative proposal towards this end I would suggest some such plan as the following:

First: That there might be appointed, for the purpose of studying and interpreting the information of the Institute, a national Committee in each of the adhering countries, consisting of (say) 12 members, named by the Minister of Agriculture and working under his auspices.

Second: To ensure competent interpretation, indicating the economic and commercial bearing of the Institute's reports, it might be desirable that said Committee be composed in some such way as the following: two merchants of experience; two financiers of high standing; two eminent economists; and five leading agriculturists, with the Minister of Agriculture as presiding officer.

Third: The members of said Committee of 12 would perhaps reside in the capital city of the country, the only paid officer being

the permanent Secretary. Said Committee would hold meetings at stated periods.

Fourth: Regular and periodic correspondence would be carried on by the Committee of 12 with:

a) the Institute;

b) a net work of subsidiary organizations in every section of the country, such as farmers associations, Chambers of Commerce, Bourses, transport companies, etc.;

c) the press;

d) similar committees of 12 in other countries.

This Committee of 12 would inform itself of the bearings of the crop-reports made by the Institute, studying the details given for the several countries, and, more especially, the summary of the same in the form of the "single numerical statement" for the world's available supply. It could then enquire into the actual and comparative relation between the single numerical statement of production and the world's price, and the prices ruling in the various sections of the home market. The Committee of 12 would then inform the producers of its conclusions, indicating to them how, when, and where they might sell their crops to the best advantage, and imparting such information deduced from the Institute's other publications as may serve the economic interests of the people.

It is evident that those concerned in the Institute's information cannot be treated as a whole, but must be considered as so many individual units. And the purpose of the Committee of 12 would be to reach these units and keep them properly informed. Unless some such plan be adopted it is probable that the benefits obtainable from the information supplied by the Institute will be left to chance, and they are thus likely to be lost, or at least it might take a series of years of experience before they could be applied to advantage. At present, the producers are unorganized so far as these ends are concerned, and consequently, even if they were to know the real state of the markets, they would not be in a position to hold their own against the organized forces which now control the shaping of the world's price and the formation of the home price.

Even when the Institute's reports will be fuller, as, of course, they

will be in time; even when the prices ruling in the principal market centres will be printed alongside of the "single numerical statement" of production, even then it will not be possible for the hundreds of thousands of units among the producers to deduce therefrom the right course of action unless they are intelligently guided and their scattered forces concentrated towards the attainment of the end in view. At the present time these units are like so many disconnected wires carrying electricity; they must be effectively connected before there can be accumulation of energy and conservation of power in order to serve as a means to an end.

In the final analysis it is the ultimate net gain on the year's operations which determines the value of economic effort; and here it should be noted that the associated efforts heretofore made by agriculturists towards increasing their net gains have a radical defect as compared with the efforts in this direction of associated capital and associated labor. Whilst capital and labor are in a position to exert a direct influence on their net returns, the agricultural producer is powerless in that direction so long as the world's price, and, therefore, the home price of his product is determined by forces over which he has no control. So long as this is the case all the minor economic gains which he may realise by associated effort may only serve to increase the profits of those forces which shape the prices of the product for him.

It appears to me that the proposed Committee of 12 would be a likely means to overcome this defect. Such a Committee would afford the agriculturists an opportunity of exercising a decided influence on the formation of prices, and would therefore be likely to bring the producers greater net returns.

The Committees of 12 would make it possible to concentrate the scattered forces of the producers into an effective economic power; and this concentration would enable the producers to meet the concentrated power brought to bear upon them. It would thus create a balance of power between the economic forces of production on the one hand, and those of distribution on the other, and this balance of power would not alone serve the best interests of the producers, but would likewise serve the best interests of the State.

May 15, 1911.

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